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IMMEDIATE

PAGE 001 OF 005

[REDACTED]

STATE/INR JCS/MC(DIA) CIA/NMCC SS/ID FBI
(SY/TAG) SWS NSA TREAS SDO (HARD COPIES TO:
NSC/S NFAC WHSITRM OCR, SECUR DDA).

[REDACTED]

THIS IS AN INFORMATION REPORT, NOT FINALLY EVALUATED INTELLIGENCE

[REDACTED]
[REDACTED]
DIST 24 MAY 78

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1. [REDACTED] MAY 1978, [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED] ACCUSED PRESIDENT AUGUSTO P I N O C H E T,
GENERAL HERNAN B R A D Y, GENERAL RAUL B E N A V I D E S
AND GENERAL HECTOR O R O Z C O OF BETRAYAL. [REDACTED] THAT
ALL OF THE FORENAMED WERE TO BLAME FOR THE PRESENT DELICATE
INTERNATIONAL SITUATION IN WHICH CHILE FINDS ITSELF AS A RESULT
OF THE LETELIER INVESTIGATION.

2. MOREOVER, [REDACTED] THERE IS NOW A SERIOUS
MORALE PROBLEM IN THE ARMY BECAUSE YOUNGER OFFICERS WERE NO
LONGER CERTAIN THAT THEY COULD DEPEND ON THE SUPPORT OF
SUPERIOR OFFICERS FROM WHOM THEY RECEIVED ORDERS. ADDITIONALLY,

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APPROVED FOR RELEASE

DATE JUN 11 1999

297

~~SECRET~~

PAGE 002 OF 005

THE INTELLIGENCE SERVICES WERE NOW PUTRIFYING AS A RESULT OF THIS SITUATION.

3. ACCORDING TO [REDACTED], GENERAL (R) MANUEL CONTRERAS, FORMER DINA DIRECTOR, WAS THE ONLY SENIOR OFFICER INVOLVED IN THE LETELIER CASE WHO CONTINUED TO ACT IN THE BEST TRADITION OF THE CHILEAN ARMY OFFICER CORPS. CONTRERAS HAD REFUSED TO ALLOW A SUBORDINATE OFFICER TO ACCEPT THE BLAME FOR SOMETHING THAT HE, CONTRERAS, HAD ORDERED DONE. FOR THIS REASON, THE YOUNGER OFFICERS THROUGHOUT THE ARMY AND ESPECIALLY IN THE PUNTA ARENAS AREA WERE STRONGLY BEHIND CONTRERAS AND HAD OFFERED TO SUPPORT HIM IN THE EVENT OF DIFFICULTY.

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4. [REDACTED] THERE IS PRESENTLY A GROUP OF YOUNGER OFFICERS IN THE SANTIAGO AREA WHO HAVE NEVER BEEN CONNECTED WITH DINA WHO HAVE ORGANIZED THEMSELVES TO CONDUCT SURVEILLANCE ON GENERAL CONTRERAS FOR THE PURPOSE OF INTERVENING IN THE EVENT CONTRERAS IS FACED WITH DIFFICULTY. [REDACTED]

[REDACTED] THERE ARE A NUMBER OF FORMER DINA OFFICERS ON FURLOUGH AT THE MOMENT WHO ARE TRAVELING THROUGHOUT THE COUNTRY CONTACTING FRIENDS IN VARIOUS MILITARY UNITS IN AN EFFORT TO ORGANIZE SUPPORT FOR CONTRERAS FROM AMONG THE OFFICER CORPS. [REDACTED]

[REDACTED] THAT THE OVERALL IMPRESSION THESE FORMER DINA OFFICERS HAVE RECEIVED IS THAT THERE IS WIDESPREAD DISSATISFACTION IN THE OFFICER CORPS WITH THE PRESIDENT AND HIS GROUP OF MINISTERS

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PAGE 003 OF 005

[REDACTED]
[REDACTED]
[REDACTED]
OVER THE MANNER IN WHICH THEY HAVE HANDLED THE LETELIER CASE. THE MAJORITY OPINION, ACCORDING TO [REDACTED] IS THAT THE MILITARY IS NOW RECEIVING ORDERS FROM CIVILIANS AND THEY FIND THIS UNACCEPTABLE.

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5. FINALLY, [REDACTED] THAT ARMY UNITS IN THE PUNTA ARENAS AREA WERE WILLING TO TAKE FORCEFUL ACTION TO PROTECT GENERAL CONTRERAS AND HIMSELF IF AN ATTEMPT IS MADE TO ARREST THEM OR EXTRADITE THEM TO THE UNITED STATES. IF ALL ELSE FAILS, [REDACTED], GENERAL CONTRERAS HAS PASSAGE BOOKED ON FOREIGN CARRIERS UNDER FALSE NAMES. THE RESERVATIONS ARE UPDATED FROM TIME TO TIME UNDER DIFFERENT NAMES SO THAT IF WORSE COMES TO WORSE CONTRERAS CAN MAKE HIS ESCAPE.

6. [REDACTED]

[REDACTED] MAY 1978 DESCRIBED THE SITUATION IN THE PUNTA ARENAS AREA AS EXTREMELY TENSE AS A RESULT OF THE CURRENT VISIT OF GENERAL CONTRERAS. ACCORDING TO [REDACTED] ARMY UNITS IN THE PUNTA ARENAS AREA HAD DECIDED TO TAKE VIOLENT ACTION IF NECESSARY TO PREVENT THE ARREST AND EXTRADITION OF GENERAL CONTRERAS AND COLONEL ESPINOZA.

[REDACTED] THAT IN LATE APRIL A FORMER MEMBER OF DINA, LT. COLONEL CARLOS M O R A L E S, WHO IS ALSO STATIONED IN PUNTAS ARENAS, WAS CALLED TO SANTIAGO TO MAKE A STATEMENT REGARDING THE WILLIAMS AND ROMERAL FALSE PASSPORTS. AFTER

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PAGE 004 OF 005

[REDACTED]

MORALES HAD NOT BEEN HEARD FROM FOR SEVERAL DAYS, A DELEGATION OF 20 OFFICERS IN THE GRADES OF MAJOR AND BELOW, WENT TO TALK TO GENERAL NILO F L O O D Y TO INQUIRE ABOUT MORALES' SITUATION. GENERAL FLOODY SENT A MESSAGE TO THE MINISTER OF DEFENSE ASKING FOR INFORMATION ON MORALES' STATUS. SHORTLY A MESSAGE WAS RECEIVED FROM THE DEFENSE MINISTRY STATING THAT MORALES WOULD BE RELEASED FROM QUESTIONING SHORTLY AND ALLOWED TO RETURN TO PUNTA ARENAS. THE 20 OFFICER DELEGATION WAS NOT SATISFIED WITH THE REPLY AND REFUSED TO LEAVE UNTIL THEIR SPOKESMAN WAS ALLOWED TO TALK WITH MORALES BY TELEPHONE. AFTER CONFERRING WITH MORALES BY TELEPHONE, THE 20 OFFICERS DEPARTED FLOODY'S OFFICE.

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7. [REDACTED]

[REDACTED] MID-MAY 1978 THAT GENERAL CONTRERAS HAD SHIPPED A LARGE NUMBER OF SUITCASES OUT OF PUNTA ARENAS TO AN UNKNOWN EUROPEAN DESTINATION ON A SHIP NAMED "BANNDESTEIN" ON 20 APRIL 1978. [REDACTED] THAT THE SUITCASES WERE SHIPPED UNDER ANOTHER NAME BUT CONTRERAS WAS THERE TO ARRANGE FOR THE SHIPMENT.

8. [REDACTED]

9. [REDACTED]

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PAGE 5

1.5 (c)